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TAGS: <u>PGOV PREL PBTS FI</u> SUBJECT: FINLAND: STUBB PUSHES FOR NEW THINKING IN FIRST

EVER "RUSSIA ACTION PLAN"

Classified By: Charge D'Affaires Michael A. Butler for reasons 1.4(b) a nd (d)

11. (C) Summary. Reflecting the influence of Foreign Minister Stubb, who has called for Finland to move away from "old phobias" and to abandon "empty and ritualistic rhetoric," Finland,s new Russia Action Plan seeks to create a comprehensive, realistic and honest set of guidelines to govern Finland,s relations with its large neighbor to the east. Why a Russia Action Plan now? Finns increasingly view Russia as a revived superpower, and many in the Finnish Government seek a policy that pursues opportunities for mutually beneficial cooperation without the usual practice of sidestepping daunting challenges and deficiencies on the Russian side. The result is a plan to engage Russia on a host of policy issues, bilaterally and through the EU, while maintaining an internal public-private dialogue to ensure fresh thinking. End Summary.

Why a Russia Action Plan?

- 12. (U) On April 16 the Government of Finland (GoF) released its first ever Russia Action Plan, establishing guidelines for relations with is eastern neighbor. While Russia is never far from the minds of Finnish policy makers, given the shared history and 1300 km border as well as significant energy and trade links, according to the GoF Russia's return to the forefront in international politics prompted this unprecedented treatment. According to the Plan, Finns surmise that Russia expects the new U.S. Administration to treat the "revived superpower" as a foreign policy equal, and that Russia has stated a willingness to create a strategic partnership with the U.S.
- 13. (C) In an April 22 meeting, the MFA's Russia Unit Director Maimo Henriksson told Polchief that the Plan's form and content largely reflects the thinking of Foreign Minister Stubb. She said Stubb's intent was not to "break new ground" in terms of policy, but to create a "comprehensive, realistic and honest" set of guidelines. So, while the Plan addresses the benefits of partnership and cooperation - territory in which Finnish officials have historically been more comfortable, at least rhetorically - it also criticizes Russia, stating that in the "Georgia crisis" Russia did not observe "internationally shared principles" and demonstrated a readiness to use force to promote its own interests (with no mention of the culpability of Georgia). It also refers to human rights deficiencies and "integrated" corruption as "major issues" in Russia. Henriksson added that an ad hoc Russia Forum contained in the Plan (and to be led by the Prime Minister) will provide an opportunity for a public-private partnership to periodically assess and bring new thinking to an evolving policy.

Objectives

- 14. (U) The Plan states Finland would welcome the development of a "forthcoming, democratic and economically prosperous Russia" that could cooperate with Finland and the EU more closely. In realizing that goal, the GoF details a number of objectives:
- Improve border-crossing and customs duty arrangements;
- Make less cumbersome visa issuance arrangements in both countries;
- Focus on environmental issues related to the Baltic Sea region especially on the condition of the Gulf of Finland and on the effect of climate change on Nordic forests;
- Pursue Russia's participation in more international judicial agreements; the GoF will seek to enhance cooperation among justice, police, border security, customs and immigration sectors;
- Foster greater bilateral cooperation through multi-cultural forums (such as Finno-Ugric cooperation) and special regional activities (such as social and health sector issues, epidemics, nuclear safety, the St. Petersburg metropolitan area).

Finnish-Russian Relations

15. (U) The GoF aims for an increase in economic interaction in trade, investments, energy supply, real estate, innovation

HELSINKI 00000150 002 OF 002

and leisure travel. (NOTE: In 2008 Russia ranked first among Finland's trading partners with approximately 9% of Finnish exports and 15% of Finnish imports. In 2008 Finland spent almost 20 million euros on approximately 200 projects directed at various regions in Russia covering transportation, health/social welfare, energy, justice/home affairs and environmental matters. END NOTE.) The Plan identifies persistent concerns about Russian tariffs for exported wood and increasing protectionist sentiment. In addition, despite the extensive and long-standing political and economic ties, the Plan identifies a need for greater expertise on Russia in Finland, in both "predictive" and analytical research, in particular in the energy and innovation policy sectors.

Russia and the EU

16. (U) The Plan places considerable importance on a "strategic partnership" between the EU and Russia. Such a partnership would reflect certain realities of being neighbors: the importance of continuing a political dialogue and of cooperation on economic and free movement issues; and a mutually dependent/beneficial relationship. While acknowledging points of contention in EU-Russian relations, the Plan states that "cooperation remains broad," in particular on trade matters. Conditions exist for wider cooperation, e.g., in security and crisis management policy. The Plan states that strategic cooperation aims at free trade and visa waiver arrangements. Finland supports EU policies that encourage Russian cooperation, such as the Nordic Dimension and Baltic Sea Strategies.

Reaction to Action Plan

17. (SBU) Media coverage was generally positive, and Henriksson pointed to praise of the GoF's "straightforward" treatment of relations with Russia. She also pointed to President Medvedev's comment in an April 20 speech at the University of Helsinki that Russia is "interested and encouraged" by the GoF's adoption of a comprehensive program.

One Finnish parliamentarian publicly welcomed the Plan as a noteworthy improvement over the Defense Minister's articulation of Russia policy in 2007, describing Finland's three greatest challenges as "Russia, Russia and Russia." A prominent Russian affairs expert complained that the GoF avoided the question of military alliances and Finland's policies towards superpowers. One editorial criticized the GoF for policy incoherence, given that the Russia Plan extensively addresses the EU's central role while the its recently issued EU policy mentions Russia a mere two times.

Comment

 ${ t \underline{1}}{ t 8}$. (C) While the Plan reflects a consensus in the GoF regarding a comprehensive approach to its Russia policy, it clearly reflects the intentions of FM Stubb. After Russia's incursion into Georgia last year, Stubb spoke publicly (albeit somewhat obliquely) about Finland's relationship with its neighbor, speaking of the general need for Finns to shrug of old phobias and for officials to abandon empty and ritualistic rhetoric. The Plan represents a significant step in that direction, considering its critical view of Russia's incursion into Georgia and its human rights and corruption problems. The Plan does not, however, address Finland's relations with Russia in light of its security links, e.g., with NATO and the other Nordic countries. As for Stubb, he practices what he preaches: with the launch of the Plan, Stubb publicly complained that concluding agreements with the Russians was easy, but "as for implementation, there is a great discrepancy between talk and action in Russia.' President Halonen remains a practitioner of a more careful, less critical approach, evident during Russian President Medvedev's first visit to Finland April 20-21 (septel). Finnish officials now have two models to chose from in dealing with their Russian neighbor. End Comment. BUTLER